

## The complaint

Ms D complains about the way Cabot Credit Management Group Limited trading as Cabot Financial (Europe) Limited (“Cabot”) has handled her request for information.

## What happened

In 2020 Ms D opened a credit card account with a company I’ll refer to as B. As Ms D was unable to keep up with repayments B made the decision to default and terminate the agreement.

In March 2023 Ms D was sent a Notice of Assignment (NOA) regarding the account with B. This said the account had been bought by a debt purchaser (DP), and they had asked Cabot to service the account.

Around February 2025 Ms D wrote to Cabot asking it a number of questions. In summary she asked Cabot to confirm:

1. Who generated and populated the NOA sent in March 2023?
2. Was it sent by the DP or Cabot?
3. Was the NOA sent in the same envelope as other documentation?

Cabot responded, but Ms D didn’t consider it had had done so correctly. She also asked whether Cabot was regulated by the Financial Conduct Authority (FCA).

In response, Cabot logged Ms D’s questions as a complaint and confirmed it would respond to Ms D’s concerns.

Alongside this, on 3 March 2025 a Decree of Payment was issued by the courts between the DP and Ms D.

On 17 March 2025 Cabot issued its final response. It answered the questions Ms D had raised, as set out above and acknowledged it could have provided a more detailed response sooner than it had. For this it offered Ms D £50 compensation.

Ms D says she continued to correspond with Cabot about its final response, but says it maintained this was correct.

As Ms D remained unhappy, she contacted this Service, saying, amongst other things, that Cabot:

- Hadn’t responded to the questions she’d raised adequately;
- Did not own the alleged debt;
- Breached FCA Principles for Business, by sending misleading communication;
- Breached Data Protection Principles, by passing information to third parties;
- Breached the Consumer Credit Act 1974, as once sold there was legal uncertainty

about enforcement;

- Breached Financial Services and Markets Act 2000, as it was not authorised by the FCA for administration or enforcement;
- Carried out Potential Criminal Conduct, by potentially falsifying the NOA;

Cabot told this Service it didn't consider this complaint was within our jurisdiction as a Decree of Payment had been issued. It also added as a result, Ms D wasn't an eligible complainant.

An Investigator here looked into things and explained Ms D was an eligible complainant as she was a customer of Cabot. They also said any debt collection activities post-judgement wouldn't be within this Service's jurisdiction. But Ms D's complaint involved aspects that happened prior to the Decree of Payment, namely concerns over the NOA that had been issued. As such, they said this Service could consider these aspects.

Cabot didn't reply to our Investigator's outcome explaining they thought we could look into elements of Ms D's complaint. Generally, if either party doesn't reply to us, or raise further arguments, then we've no reason to think they object.

Our Investigator went on to explain since receiving Cabot's final response, Ms D had raised several other concerns (as set out above) that Cabot hadn't yet had the opportunity to respond to. And as such our Service couldn't consider those concerns. But they did think we could consider Ms D's complaint that Cabot hadn't responded to the questions she'd raised, adequately. On this point, our Investigator overall thought Cabot had now answered those questions sufficiently and the £50 compensation it had offered was a fair resolution for not providing its answer when Ms D first contacted it.

Ms D didn't agree and considered our Investigator was taking a narrow approach to her complaint. In summary she said the questions she'd initially asked should include Cabot's response to the broader concerns she raised. As such, she asked that the complaint be passed to an Ombudsman to consider concerns including:

- Whether Cabot had acted fairly in issuing and relying on the NOA sent in March 2023;
- Whether it had adequately addressed legitimate questions about authority and its regulatory standing;
- Whether the compensation offered was fair;

As no agreement has been reached, the complaint has been passed to me to decide.

### **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In doing so, I've taken into account the relevant industry rules and guidance, and what would be considered as good industry practice.

Firstly, I want to explain I've read and taken into account of all the information provided by both parties, in reaching my decision. I say this as I'm aware I've summarised Ms D's complaint in considerably less detail than she has. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think

it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint.

The regulator the FCA sets out the rules for our Service to follow. These rules are set out in the Dispute Resolution: Complaints (DISP) Handbook.

DISP 3.6.1 says:

*The Ombudsman will determine a complaint by reference to what is, in his opinion, fair and reasonable in all the circumstances of the case.*

And DISP 3.6.4 says:

*In considering what is fair and reasonable in all the circumstances of the case, the Ombudsman will take into account:*

*(1) relevant:*

*(a) law and regulations;*

*(b) regulators' rules, guidance and standards;*

*(c) codes of practice; and*

*(2) (where appropriate) what he considers to have been good industry practice at the relevant time.*

The effect of these rules mean I'm required to take into account the information, laws and legislations Ms D has mentioned, but I'm not bound by them. This reflects our informal nature as an alternative to the courts. As such, we wouldn't routinely quote every law that could potentially apply. I also can't decide whether a business' actions would amount to criminal conduct – only a court can.

I should also say, while I understand Ms D disagrees, in my view by appointing a regulated debt servicer, DP passes on responsibility for all actions under Article 60B(2) to Cabot. So, I'll be taking the approach that Cabot is responsible for the activity of exercising the lender's – in others words the owner of the debt (DP) – rights and duties under a regulated credit agreement.

For completeness, I agree with our Investigator in relation to the jurisdiction this Service has to consider this complaint. The complaint relates solely to actions that took place prior to the Decree of Payment and as such, we have the power to consider this.

The complaint Ms D initially raised with Cabot, and it responded to within its final response was whether it had answered the questions she raised in sufficient detail (as set out above). As such, all that I am able to consider within this decision is whether it did that fairly.

Here I can see Ms D contacted Cabot in February 2025, initially raising three questions in relation to the NOA (questions labelled 1 – 3 and listed at the start of this decision). Having reviewed the response Cabot initially gave, I agree it didn't answer Ms D's list of questions, as I'd expect. Ms D was then put to some inconvenience in having to ask those same questions again. On this occasion Cabot provided slightly more detail – but in responding to question 1 it simply said:

*"[B] and Cabot also sent our Welcome letter."*

This wasn't quite right and didn't provide a full answer to Ms D's question. It wasn't until its final response, some weeks later where it elaborated on this, saying:

*"The NOA was drafted and sent by Cabot on behalf of [B]. Upon the account being sold to us, [B] agreed for us to generate and send the NOA on [B] headed paper on their behalf."*

It also answered Ms D's further question in relation to Cabot's regulation. Having reviewed the responses it gave in its final response, these seem reasonable and in line with what I'd expect. As it didn't give this response when Ms D first raised the questions, £50 compensation also seems fair in the circumstances. Ms D was put to some inconvenience in having to chase Cabot and it caused a delay in providing this information.

I understand Ms D has since said the questions she asked were to obtain the further information that she's now outlined. This was in relation to Cabot's ownership of the debt, legal right to enforcement, lawfulness of the NOA and breach of various regulations, amongst other things – but these weren't questions she put to Cabot initially. And as such, I wouldn't expect Cabot to have expanded in the way Ms D now says she expected it to. I should also say, just because Cabot hasn't answered the questions in the way Ms D wanted in its final response, doesn't mean it made an error.

As our Investigator has said, if Ms D does want Cabot to respond to those further points, she can raise them directly with Cabot. However, it would be remiss of me not to say, if those points have already been considered by the courts under Ms D's Decree of Payment, which appears may be the case, it's unlikely this Service would choose to consider a complaint about them.

Ms D has said we shouldn't dismiss a complaint about these as the Decree of Payment is in relation to the DP and Cabot is a different legal entity. Whether we would or wouldn't, I can't say, as I'm not making a finding on that. But it might be helpful to mention that our rules say the Ombudsman may dismiss a complaint, if the Ombudsman considers, among other things that:

*(3) the subject matter of the complaint has been the subject of court proceedings where there has been a decision on the merits;*

Whether that means we'd dismiss Ms D's further points – if she were to raise them to Cabot and then us – isn't something I can make a finding on. I provide this information solely for Ms D's awareness and it's up to her whether she decides to pursue the matter further.

Taking everything into account, based on what I am able to consider within this decision, I don't think Cabot acted fairly initially when responding to Ms D's questions. It could have provided a better service and given Ms D a more detailed response sooner. That said, I'm pleased to see its final response elaborated on this, in the way I'd expect, and I think the £50 it's offered fairly resolves matters. So I won't be asking it to do anything more than require Cabot to pay Ms D £50 compensation.

### **My final decision**

Cabot Credit Management Group Limited trading as Cabot Financial (Europe) Limited has already made an offer to pay Ms D £50 compensation, and I think that offer is fair in all the circumstances of this case.

So my decision is that Cabot Credit Management Group Limited trading as Cabot Financial (Europe) Limited should pay Ms D £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or

reject my decision before 9 April 2026.

Victoria Cheyne  
**Ombudsman**